

NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY WESTERN DISTRICT OF MISSOURI

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LEE'S SUMMIT WOMAN SENTENCED FOR MAIL FRAUD IN \$350,000 E-BAY SCHEME

KANSAS CITY, Mo. – Bradley J. Schlozman, United States Attorney for the Western District of Missouri, announced that a Lee's Summit, Mo., woman was sentenced in federal court today for her role in a scheme that involved purchasing expensive items after replacing the bar code stickers with the bar codes from cheaper items, then selling those items on e-Bay.

Kathy R. Koch, 34, of Lee's Summit, was sentenced by U.S. District Judge Howard F. Sachs this morning to one year and six months in federal prison without parole. The court also ordered **Koch** to pay \$350,745 in restitution to Target Stores, Inc., and Wal Mart, Inc.

On Nov. 14, 2005, **Koch** pleaded guilty to mail fraud. **Koch** admitted that she participated in a scheme to obtain money from Target and Wal Mart from Aug. 6, 2001, to Dec. 22, 2003. **Koch** purchased expensive items – such as palm pilots, GPS devices, cordless phones, DVD players, calculators and sewing machines – after replacing the bar codes on those items with bar codes for much less expensive items. **Koch** then sold those items on e-Bay through a Pay-Pal account with America On Line. **Koch** pleaded guilty to an information that charged her specifically with mailing a computer graphics card to a purchaser in Texas.

In a separate but related case, **Melinda S. Parker**, 32, also of Lee's Summit, was sentenced on April 10, 2006, to one year and nine months in federal prison without parole. The court also ordered **Parker** to pay \$350,745 in restitution. Parker pleaded guilty on Oct. 14, 2005, to mail fraud.

This case is being prosecuted by Assistant U.S. Attorney William L. Meiners. It was investigated by the U.S. Postal Inspection Service.

This news release, as well as additional information about the office of the United States

Attorney for the Western District of Missouri, is available on-line at www.usdoj.gov/usao/mow/index.html